

1 PAUL J. PASCUZZI, State Bar No. 148810
2 JASON E. RIOS, State Bar No. 190086
3 THOMAS R. PHINNEY, State Bar No. 159433
4 FELDERSTEIN FITZGERALD
5 WILLOUGHBY PASCUZZI & RIOS LLP
6 500 Capitol Mall, Suite 2250
7 Sacramento, CA 95814
Telephone: (916) 329-7400
Facsimile: (916) 329-7435
Email: ppascuzzi@ffwplaw.com
jrios@ffwplaw.com
tphinney@ffwplaw.com

8 ORI KATZ, State Bar No. 209561
9 ALAN H. MARTIN, State Bar No. 132301
10 SHEPPARD, MULLIN, RICHTER & HAMPTON LLP
11 A Limited Liability Partnership
12 Including Professional Corporations
13 Four Embarcadero Center, 17th Floor
14 San Francisco, California 94111-4109
Telephone: (415) 434-9100
Facsimile: (415) 434-3947
Email: okatz@sheppardmullin.com
amartin@sheppardmullin.com

15 Attorneys for The Roman Catholic Archbishop of
16 San Francisco

UNITED STATES BANKRUPTCY COURT

NORTHERN DISTRICT OF CALIFORNIA, SAN FRANCISCO DIVISION

19 | In re

Case No. 23-30564

20 THE ROMAN CATHOLIC ARCHBISHOP OF SAN FRANCISCO

Chapter 11

Debtor and Debtor in Possession

**DEBTOR'S SECOND MOTION TO
EXTEND DEADLINE TO ASSUME OR
REJECT UNEXPIRED LEASES OF
NONRESIDENTIAL REAL PROPERTY
PURSUANT TO SECTION 365(d)(4) OF
THE BANKRUPTCY CODE**

Date: March 7, 2024

Time: 1:30 p.m.

Location: via ZoomGov

Judge: Hon. Dennis Montali

28 | //

Case No. 23-30564

The Roman Catholic Archbishop of San Francisco, the debtor and debtor in possession (the “RCASF” or the “Debtor”) hereby files this motion (the “Motion”) pursuant to section 365(d)(4) of title 11 of the United States Code (the “Bankruptcy Code”) for entry of an order substantially in the form attached hereto as ***Exhibit A*** (the “Proposed Order”) further extending the time for the Debtor to assume unexpired leases of nonresidential real property with the written consent of the lessors (the “Unexpired Leases”) until the earlier of (i) the expiration of the term of the Unexpired Lease, or (ii) the effective date of a reorganization plan for the Debtor in this Bankruptcy Case (the “Extended Deadline”).

In support of this Motion, the Debtors submit the *Declaration of Fr. Patrick Summerhays* in support of the Motion (the “Summerhays Declaration”) filed contemporaneously herewith as well as the *Declaration of Joseph J. Passarello in Support of Chapter 11 Petition and Debtor’s Emergency Motions* [ECF 14] (“Passarello Background Decl.”), and the *Declaration of Paul E. Gaspari in Support of Chapter 11 Petition and Debtor’s Emergency Motions* [ECF 15] (“Gaspari Decl.”) and all exhibits filed in support thereof. The Debtor informed the Committee through counsel that this Motion would be filed and the extension requested.

JURISDICTION AND VENUE

17 1. This Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and
18 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b), and the Debtor consents to
19 the entry of a final judgment or order with respect to this Motion.

20 2. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

GENERAL BACKGROUND AND RELIEF REQUESTED

22 3. On August 21, 2023 (the “Petition Date”), the Debtor commenced with the Court a
23 voluntary case under chapter 11 of the Bankruptcy Code. The Debtor continues to operate its
24 businesses and manage its properties as debtor in possession pursuant to sections 1107(a) and 1108
25 of the Bankruptcy Code. No trustee or examiner has been appointed in the Bankruptcy Case. On
26 September 1, 2023, the Office of the United States Trustee for the Northern District of California
27 appointed a statutory committee of unsecured creditors (“Committee”) in this case pursuant to
28 section 1102 of the Bankruptcy Code [ECF 58].

1 4. The RCASF filed this Bankruptcy Case to reorganize its financial affairs pursuant
2 to a plan of reorganization that will, among other things, fairly, justly, and equitably compensate
3 survivors of sexual abuse by clergy or others associated with the RCASF and bring healing to
4 survivors, parishioners and others affected by past acts of sexual abuse. The RCASF requires the
5 Bankruptcy Court's protection and the protection of the bankruptcy laws to make fair and equitable
6 payment on all of the claims against it, including the claims by survivors of abuse, trade creditors,
7 and others, while continuing its ministries and support it offers to Catholic parishes and
8 communities.

9 5. On December 14, 2023, the Court entered its Order Granting Debtor's Motion to
10 Extend Deadline to Assume or Reject Unexpired Leases of Nonresidential Real Property Pursuant
11 to Section 365(d)(4) of the Bankruptcy Code (the "First Extension Order") (ECF No. 365). The
12 First Extension Order extended the deadline for assumption by 90 days to and including March 18,
13 2024.

14 6. By this Motion and pursuant to section 365(d)(4) of the Bankruptcy Code, the
15 Debtor seeks to further extend the current deadline of March 18, 2024 (the “Assumption Deadline”)
16 to assume unexpired leases of nonresidential real property where the Debtor is lessee until the
17 Extended Deadline. The Debtor has obtained the written consent to the Extended Deadline from
18 the two affected landlords/licensor, whose consents are attached hereto as ***Exhibit B***.

I. FACTUAL GROUNDS

20 7. The Debtor is a party to multiple leases of nonresidential real property. On
21 September 21, 2023, the Debtor filed its Schedules [ECF 152] which identifies the Unexpired
22 Leases to which the Debtor may be a party, including but not limited to leases with Chesterton
23 Academy of San Francisco, Children's Council of San Francisco, Cruise LLC, Daughters of
24 Charity, JEH Enterprises, Inc., the Cemeteries, Seneca Family of Agencies, the Archdiocese of San
25 Francisco Parish and School Juridic Persons Real Property Support Corporation, the Roman
26 Catholic Seminary of San Francisco, and The Sleep Train, Inc./Mattress Firm.

27 8. The Debtor is currently undertaking a comprehensive review of its leases to
28 determine which ones to assume and which to reject. The Debtor has confirmed that most of its

1 nonresidential real property leases were entered into as lessor. The Debtor has determined that the
2 Debtor's Unexpired Lease interests include (i) an Unexpired Lease entered by the Debtor as lessee,
3 and (ii) a revocable license for the Debtor to use certain nonresidential real property, and to the
4 extent it constitutes a lease, a real property interest in the ground upon which a building sits, both
5 located at 320 Middlefield Road, Menlo Park, California 94025.¹

6 9. The Debtor is current on all monetary obligations due and owing under its
7 Unexpired Leases of nonresidential real property. The Debtor has the current financial resources to
8 continue to pay its bills as they come due and will continue to do so. Consequently, its continued
9 occupation of the premises leased by the Debtor will not damage its lessors.

10 10. Pursuant to section 365(d)(4) of the Bankruptcy Code, if the Unexpired Leases for
11 which the Debtor is the lessee are not assumed prior to the Assumption Deadline, such unexpired
12 leases shall be deemed rejected unless the Debtor receives, pursuant to section 365(d)(4)(B) of the
13 Bankruptcy Code, an extension of time within which it may assume or reject the Unexpired Leases.²
14 In this case, there is sufficient cause to grant the Debtor's requested extension of time within which
15 it may assume or reject any Unexpired Leases. The Debtor has not had sufficient opportunity to
16 adequately assess the potential value of each of the Unexpired Leases in the context of its
17 restructuring efforts. Moreover, the landlords for each of the two Unexpired Leases where the
18 Debtor is lessee have consented to the additional extension.

19 11. The Debtor is still in the early stages of the case and working to build a foundation
20 for a plan of reorganization. It continues to actively take steps to develop a plan of reorganization
21 with its constituents. Additional time is needed to fully evaluate the progress and dynamics of the
22 case, and the potential effect of assumption or rejection of the lease under the unique circumstances
23 of this case.

24 25 ¹ The real property has located on it the building commonly known as the "Archbishop's
26 Residence" reserved for the Archbishop or his designated use and may, therefore, include
27 residential real property; provided, however, that the Debtor has leased the building to the
28 Chesterton Academy of St. James, which operates a private Catholic high school at the premises.

27 28 ² Section 365(d)(4) does not reference leases where the Debtor is lessor and, therefore, the
Assumption Deadline does not apply to such leases.

1 12. This Chapter 11 Case is large and complex. The Debtor's estate includes substantial
2 claims and assets to be administered. As detailed in the Passarello Background Decl., the
3 Archdiocese³ includes 88 Parishes. The RCASF's fiscal 2023 operating budget includes
4 approximately \$55 million in revenues.

5 13. The Debtor has been working expeditiously and has established procedures for
6 potential abuse claimants to submit claims and continues develop a framework for the exchange of
7 information with the Committee that will enable the parties to move promptly to mediation.
8 Moreover, the Debtor has worked expeditiously with the Committee and other key stakeholders,
9 including the Debtor’s insurers, to begin toward the path develop a consensual plan to emerge from
10 chapter 11. However, the Debtor has not yet engaged in mediation with the Committee in the
11 Insurers and this case remains in the early stages. Additional time is needed to explore potential
12 opportunities and evaluate how each lease may impact those opportunities. Accordingly, cause
13 exists to extend the Assumption Deadline up to and including the Extended Deadline.

II. LEGAL GROUNDS

15 Section 365 of the Bankruptcy Code governs the Debtor's ability to assume, assume and
16 assign, and reject unexpired leases and executory contracts. Section 365(d)(4)(A) of the Bankruptcy
17 Code provides that:

18 an unexpired lease of nonresidential real property under which the debtor is the lessee
19 shall be deemed rejected, and the trustee shall immediately surrender that
nonresidential real property to the lessor, if the trustee does not assume or reject the
unexpired lease by the earlier of-

- (i) the date that is 120 days after the date of the order for relief; or
 - (ii) the date of the entry of an order confirming a plan.

²² 11 U.S.C. § 365(d)(4)(A).

24 Section 365(d)(4)(B)(i) further provides that the “court may extend the period determined
25 under subparagraph (A), prior to the expiration of the 120-day period, for 90 days on the motion of

²⁷ ²⁸ ³ The term “Archdiocese” is used herein exclusively to refer to geographic territory under the jurisdiction of the RCASF, and the terms RCASF, or Debtor are used herein exclusively to refer to the secular legal embodiment of the Archdiocese.

1 the trustee or lessor for cause.” 11 U.S.C. § 365(d)(4)(B). As noted above, the First Extension
2 Order extended the deadline for the Debtor to assume the Unexpired Leases to and including March
3 18, 2024.

4 Section 365(d)(4)(B)(ii) of the Bankruptcy Code provides the court may further extend the
5 period to assume or reject an unexpired lease of nonresidential real property with the consent of the
6 Lessor (“If the court grants an extension under clause (i), the court may grant a subsequent
7 extension only upon prior written consent of the lessor in each instance.”).

8 The term “cause,” as used in section 365(d)(4)(B), is not defined in the Bankruptcy Code,
9 nor does the Bankruptcy Code establish formal criteria for evaluating a request for an extension of
10 the initial 120-day period. The bankruptcy court is left a “great deal of discretion...to weigh all
11 relevant factors related to the requested extension.” *BC Brickyard Assocs. v. Ernst Home Ctr., Inc.*
12 (*In re Ernst Home Ctr., Inc.*), 221 B.R. 243, 253 (B.A.P. 9th Cir. 1998); *see also In re Victoria*
13 *Station, Inc.*, 88 B.R. 231 (9th Cir. BAP 1988, *aff’d* 875 F.2d 1380 (9th Cir. 1989))

14 Although the decision to extend a debtor’s time to assume or reject unexpired leases of
15 nonresidential property is generally within the sound discretion of the court, in determining whether
16 cause exists for an extension of the initial 120-day period, courts have relied on several factors,
17 including the following:

- 18 (1) whether the debtor was paying for its use of the property;
- 19 (2) whether the debtor’s continued occupation of the leased premises could damage
20 the lessor beyond the compensation available under the Bankruptcy Code;
- 21 (3) whether the lease is the debtor’s primary asset; and
- 22 (4) whether the debtor has had sufficient time to formulate a plan.

23 *See South St. Seaport Ltd. P’Ship v. Burger Boys, Inc. (In re Burger Boys, Inc.)*, 94 F.3d 755, 761
24 (2d Cir. 1996); *In re Panaco, Inc.*, 2002 Bankr. LEXIS 2084, *12 (Bankr. S.D. Tex. Dec. 9, 2009);
25 *see also In re Wedtech Corp.*, 72 B.R. 464, 471-72 (Bankr. S.D.N.Y. 1987) (considering, among
26 the aforementioned factors, the complexity of the case facing the debtor and the number of leases
27 the debtor must evaluate); *Legacy, Ltd. v. Channel Home Ctrs., Inc. (In re Channel Home Ctrs.,*
28 *Inc.)*, 989 F.2d 682, 689 (3d Cir. 1993), superseded by statute, the Bankruptcy Abuse Prevention

1 and Consumer Protection Act of 2005, Pub. L. No. 109-8, § 404(a), 119 Stat. 23 (2005), *as*
2 *recognized in In re Jim Palmer Equip., Inc.*, 2008 Bankr. LEXIS 4096, *12 (Bankr. D. Mont. Nov.
3 25, 2008) (“it is permissible for a bankruptcy court to consider a particular debtor’s need for more
4 time in order to analyze leases in light of the plan it is formulating” (citing *In re Wedtech*, 72 B.R.
5 at 471–72)).

6 Some bankruptcy courts, including in the Ninth Circuit, have taken a more expansive
7 approach by weighing multiple factors in an effort to determine whether “cause” exists:

- 8 (1) whether the lease is the primary asset of debtor;
- 9 (2) whether the landlord has a reversionary interest in the building built by debtor on
10 landlord’s land;
- 11 (3) whether the debtor has had sufficient time to assess its financial situation and the
12 potential value of its assets in terms of formulating a plan;
- 13 (4) whether the lessor continues to receive the rent as required by the lease;
- 14 (5) whether the lessor will be damaged beyond the compensation available under the
15 Bankruptcy Code due to debtor’s continued occupation of the leased premises;
- 16 (6) whether the case is exceptionally complex and involves a large number of leases;
- 17 (7) whether the need exists for a judicial determination of whether the lease is disguised
18 as a security interest;
- 19 (8) whether the debtor has failed or is unable to formulate a plan when it has had
sufficient time to do so; and
- (9) any other factors bearing on whether the debtor has had a reasonable amount of time
in which to decide whether to assume or reject the lease.

20 *See, e.g., In re Service Merchandise Co., Inc.*, 256 B.R. 744, 748 (Bankr. M.D. Tenn. 2000); *BC*
21 *Brickyard Assocs. v. Ernst Home Ctr., Inc. (In re Ernst Home Ctr., Inc.)*, 221 B.R. 243, 253 (B.A.P.
22 9th Cir. 1998).

23 Ultimately, whether to grant an extension of time rests within the sound discretion of the
24 bankruptcy court. *In re Burger Boys, Inc.*, (2nd Cir. 1996) 94 F.3d 755 at 760–61. “Nothing prevents
25 a bankruptcy court from granting an extension because a particular debtor needs additional time to
26 determine whether the assumption or rejection of particular leases is called for by the plan of
27 reorganization that it is attempting to develop.” *In re Channel Home Ctrs., Inc.*, 989 F.2d at 689;
28 see also *Coleman Oil Co. v. Circle K Corp. (In re Circle K Corp.)*, 127 F.3d 904 (9th Cir. 1997),

¹ *cert. denied*, 522 U.S. 1148, 118 S. Ct. 1166 (1998) (noting that bankruptcy courts can grant a debtor's request for an extension).

3 Here, the Debtor submits that there are substantial grounds for the Court to extend the
4 deadline for assumption of the Unexpired Leases. The affected lessors have consented to the
5 extension. Moreover, the Debtor is current on its post-petition rent obligations and has the
6 resources to remain current, the Debtor's bankruptcy case is large and complex, and the Debtor has
7 worked expeditiously to move this case forward to administer potential claims, engage in
8 mediation, and develop a plan of reorganization. Denial of the Motion would cause the Debtor to
9 precipitously assume or reject Unexpired Leases without adequate time to evaluate the benefit of
10 those leases and would put the estate at risk.

WHEREFORE, the Debtor respectfully requests that the Court grant the relief requested herein and such other and further relief as the Court may deem just and proper.

13 | Dated: February 8, 2024

FELDERSTEIN FITZGERALD WILLOUGHBY
PASCUZZI & RIOS LLP

15 By: /s/ Jason E. Rios
16 PAUL J. PASCUZZI
17 JASON E. RIOS
THOMAS R. PHINNEY

Attorneys for The Roman Catholic Archbishop of San Francisco

20 | Dated: February 8, 2024

SHEPPARD MULLIN RICHTER & HAMPTON LLP

By: /s/ Ori Katz
ORI KATZ
ALAN H. MARTIN

Attorneys for The Roman Catholic Archbishop of
San Francisco

Exhibit A

[Proposed Order]

UNITED STATES BANKRUPTCY COURT

NORTHERN DISTRICT OF CALIFORNIA, SAN FRANCISCO DIVISION

In re

THE ROMAN CATHOLIC ARCHBISHOP OF SAN FRANCISCO,

Debtor and Debtor in Possession.

Case No. 23-30564

Chapter 11

**[PROPOSED] ORDER GRANTING
DEBTOR'S SECOND MOTION TO
EXTEND DEADLINE TO ASSUME OR
REJECT UNEXPIRED LEASES OF
NONRESIDENTIAL REAL PROPERTY
PURSUANT TO SECTION 365(d)(4) OF
THE BANKRUPTCY CODE**

Date: March 7, 2024

Time: 1:30 p.m.

Location: via ZoomGov

Judge: Hon. Dennis Montali

Upon consideration of the second motion (the “Motion”)⁴ filed by the debtor and debtor in possession The Roman Catholic Archbishop of San Francisco, (“Debtor”) for entry of an order (this “Order”) pursuant to section 365(d)(4) of the Bankruptcy Code extending the time in which the Debtor may assume or reject unexpired leases of nonresidential real property; the lessors for such leases having consented to the requested extension, and the Court having reviewed the Motion and having considered the record at the hearing held before this Court (the “Hearing”), if any; and having determined that the legal and factual bases set forth in the Motion and at the Hearing establish good cause for the relief granted herein,

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⁴ Capitalized terms not defined herein shall have the meanings given to them in the Motion.

IT IS THEREFORE ORDERED:

2 1. The Motion is GRANTED and the Stipulations submitted in support of the Motion
3 are approved.

4 2. The time period within which the Debtor may assume or assign unexpired
5 nonresidential real property leases is extended in accordance with section 365(d)(4) of the
6 Bankruptcy Code until the earlier of (i) the expiration of the term of the Unexpired Lease, or (ii) the
7 effective date of a reorganization plan for the Debtor in this Bankruptcy Case.

8 3. The extension of time granted herein is without prejudice to the Debtor's rights to
9 seek further extensions of its time to assume or reject any unexpired nonresidential real estate lease
10 as provided in section 365(d)(4) of the Bankruptcy Code.

11 4. The Debtor is authorized and empowered to take all actions necessary or appropriate
12 to implement the relief granted in this Order in accordance with the Motion.

*****END OF [PROPOSED] ORDER*****

1 Court Mailing List

2 ECF Participants

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1 **Exhibit B**

2 **[Stipulations/Consents]**

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14 Attorneys for The Roman Catholic Archbishop of San Francisco

UNITED STATES BANKRUPTCY COURT

NORTHERN DISTRICT OF CALIFORNIA, SAN FRANCISCO DIVISION

18 In re
19 THE ROMAN CATHOLIC
20 ARCHBISHOP OF SAN FRANCISCO,
21 Debtor and
22 Debtor in Possession.
Case No. 23-30564
Chapter 11
STIPULATION CONSENTING TO
EXTENSION OF DEADLINE TO ASSUME OR
REJECT CERTAIN NONRESIDENTIAL
REAL PROPERTY LEASE PURSUANT TO 11

Date: March 7, 2024

Date: March 7,
Time: 1:30 p.m.

Via ZoomGov

Judge: Hon. Dennis Montali

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1 The Roman Catholic Archbishop of San Francisco (the “RCASF” or the “Debtor”), the
2 debtor and debtor in possession in the above-captioned chapter 11 case (the “Bankruptcy Case”), as
3 lessee, and the undersigned lessor, The Roman Catholic Seminary of San Francisco, a California
4 nonprofit religious corporation (the “Lessor”), hereby submit this stipulation (the “Stipulation”) by
5 and through their counsel consenting to a further extension of time for the Debtor to assume or reject
6 certain nonresidential real property leases pursuant to 11 U.S.C. §365(d)(4)(B)(ii) of title 11 of the
7 United States Code (the “Bankruptcy Code”), and represent and agree as follows:

RECITALS

9 A. On August 21, 2023 (the “Petition Date”), the Debtor filed a voluntary petition for
10 relief under chapter 11 of title 11 of the Bankruptcy Code in the United States Bankruptcy Court for
11 the Northern District of California.

12 B. By Order dated December 14, 2023 [ECF 365], the Court extended the time for the
13 Debtor to assume or reject nonresidential real property leases to March 18, 2024 pursuant to section
14 365(d)(4)(B)(i) of the Bankruptcy Code.

15 C. The Debtor and the Lessor are parties to a Revocable License for use of a portion of
16 property owned by the Seminary for storage and a real property interest in the ground upon which
17 a building sits, both located at 320 Middlefield Road, Menlo Park, California 94025.

18 D. The Debtor proposes to seek a further extension of time for the Debtor to reject or
19 assume nonresidential real property leases from the Bankruptcy Court and the Lessor agrees to
20 provide the Debtor with consent to a further extension as set forth below.

21 NOW, THEREFORE, UPON THE FOREGOING RECITALS, IT IS HEREBY
22 STIPULATED AND AGREED, BY AND BETWEEN THE PARTIES, THROUGH THE
23 UNDERSIGNED, AND THE PARTIES JOINTLY REQUEST THAT THE COURT ORDER
24 THAT:

25 1. To the extent applicable, the Lessor consents to an extension or extensions (the
26 “Extension”) of the time within which the Debtor must assume any nonresidential real property
27 lease to which it and the Lessor are a party to (the “Leases”), until the earlier of (i) the expiration of

1 the term of the Leases, or (ii) the effective date of a reorganization plan for the Debtor in this
2 Bankruptcy Case (the “Extended Deadline”).

3 2. Pursuant to section 365(d)(4) of the Bankruptcy Code, the time period within which
4 the Debtor must assume or reject the Leases is extended from March 18, 2024, through and including
5 the Extended Deadline.

6 3. No further consent of Lessor shall be required for the sole purpose of granting the
7 Extension, and the consent granted pursuant to the Stipulation is without prejudice to the Debtor’s
8 right to seek further extensions as provided in section 365(d)(4) of the Bankruptcy Code, including
9 beyond the Extended Deadline.

10 4. Nothing contained in this Stipulation or any actions taken by the Debtor or the
11 Seminary pursuant to relief consented to herein is intended or should be construed as: (a) an
12 admission as to the validity or amount of any particular claim against the Debtor; (b) a waiver of the
13 Debtor’s rights to dispute any particular claim on any grounds; (c) a promise or requirement to pay
14 any particular claim; (d) an admission by the Debtor or the Seminary that any contract or lease,
15 including the Leases, are executory or unexpired leases, as applicable; (e) a waiver or limitation of
16 the Debtor’s rights under the Bankruptcy Code or any other applicable law, including the Debtor’s
17 right to assume, reject, and/or seek any other related relief with respect to any contract or lease; or
18 (f) an alteration, amendment, or other modification of the terms of the Leases.

19 5. This Stipulation may be executed in multiple counterparts, each of which shall be
20 deemed an original but all of which together shall constitute one and the same instrument.

21 6. The Debtor is authorized to take all actions necessary to effectuate the relief granted
22 pursuant to and in accordance with this Stipulation.

23 7. The terms and conditions of this Stipulation shall be immediately effective and
24 enforceable upon its entry.

25 8. The Bankruptcy Court retains sole and exclusive jurisdiction to enforce the
26 provisions of this Stipulation.

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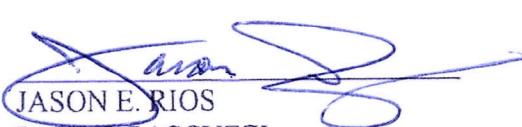
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[Signatures on following page]

1 Dated: February 6, 2024

FELDERSTEIN FITZGERALD
WILLOUGHBY PASCUZZI & RIOS LLP

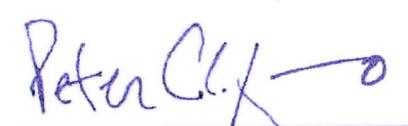
3 By:

4 
5 JASON E. RIOS
6 PAUL J. PASCUZZI
7 THOMAS R. PHINNEY
8 Attorneys for The Roman Catholic
9 Archbishop of San Francisco

10 Dated: February 6, 2024

NIESAR & VESTAL, LLP

11 By:

12 
13 PETER C. CALIFANO
14 Attorney for Lessor, The Roman Catholic Seminary
15 of San Francisco

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15 San Francisco

UNITED STATES BANKRUPTCY COURT

NORTHERN DISTRICT OF CALIFORNIA, SAN FRANCISCO DIVISION

18 In re
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21 Debtor and
Debtor in Possession.

Case No. 23-30564

Chapter 11

**STIPULATION CONSENTING TO
EXTENSION OF DEADLINE TO ASSUME OR
REJECT CERTAIN NONRESIDENTIAL
REAL PROPERTY LEASE PURSUANT TO 11
U.S.C. §365(D)(4)**

Date: March 7, 2024

Time: 1:30 p.m.

Via ZoomGov

Judge: Hon. Dennis Montali

1 The Roman Catholic Archbishop of San Francisco (the “RCASF” or the “Debtor”), the
2 debtor and debtor in possession in the above-captioned chapter 11 case (the “Bankruptcy Case”) as
3 lessee, and the undersigned lessor, The Archdiocese of San Francisco Parish and School Juridic
4 Persons Real Property Support Corporation (the “Lessor”), hereby submit this stipulation (the
5 “Stipulation”) by and through their counsel consenting to a further extension of time for the Debtor
6 to assume or reject certain nonresidential real property leases pursuant to 11 U.S.C.
7 §365(d)(4)(B)(ii) of title 11 of the United States Code (the “Bankruptcy Code”), and represent and
8 agree as follows:

RECITALS

10 A. On August 21, 2023 (the “Petition Date”), the Debtor filed a voluntary petition for
11 relief under chapter 11 of title 11 of the Bankruptcy Code in the United States Bankruptcy Court for
12 the Northern District of California.

13 B. By Order dated December 14, 2023 [ECF 365], the Court extended the time for the
14 Debtor to assume or reject nonresidential real property leases to March 18, 2024, pursuant to section
15 365(d)(4)(B)(i) of the Bankruptcy Code.

16 C. The Debtor and the Lessor are parties to a Lease dated April 25, 2008 for multiple
17 parcels of real property.

18 D. The Debtor proposes to seek a further extension of time for the Debtor to reject or
19 assume nonresidential real property leases from the Bankruptcy Court and the Lessor agrees to
20 provide the Debtor with consent to a further extension as set forth below.

21 NOW, THEREFORE, UPON THE FOREGOING RECITALS, IT IS HEREBY
22 STIPULATED AND AGREED, BY AND BETWEEN THE PARTIES, THROUGH THE
23 UNDERSIGNED, AND THE PARTIES JOINTLY REQUEST THAT THE COURT ORDER
24 THAT:

25 1. The Lessor consents to an extension or extensions (the “Extension”) of the time
26 within which the Debtor must assume any nonresidential real property lease to which it and the
27 Lessor are a party to (the “Lease”), until the earlier of (i) the expiration of the term of the Lease, or

1 (ii) the effective date of a reorganization plan for the Debtor in this Bankruptcy Case (the “Extended
2 Deadline”).

3 2. Pursuant to section 365(d)(4) of the Bankruptcy Code, the time period within which
4 the Debtor must assume or reject the Lease is extended from March 18, 2024, through and including
5 the Extended Deadline.

6 3. No further consent of Lessor shall be required for the sole purpose of granting the
7 Extension, and the consent granted pursuant to the Stipulation is without prejudice to the Debtor's
8 right to seek further extensions as provided in section 365(d)(4) of the Bankruptcy Code, including
9 beyond the Extended Deadline.

10 4. Nothing contained in this Stipulation or any actions taken by the Debtor pursuant to
11 relief consented to herein is intended or should be construed as: (a) an admission as to the validity
12 or amount of any particular claim against the Debtor; (b) a waiver of the Debtor's rights to dispute
13 any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d)
14 an admission by the Debtor that any contract or lease, including the Lease, are executory or
15 unexpired, as applicable; (e) a waiver or limitation of the Debtor's rights under the Bankruptcy Code
16 or any other applicable law, including the Debtor's right to assume, reject, and/or seek any other
17 related relief with respect to any contract or lease; or (f) an alteration, amendment, or other
18 modification of the terms of the Lease.

19 5. This Stipulation may be executed in multiple counterparts, each of which shall be
20 deemed an original but all of which together shall constitute one and the same instrument.

21 6. The Debtor is authorized to take all actions necessary to effectuate the relief granted
22 pursuant to and in accordance with this Stipulation.

23 7. The terms and conditions of this Stipulation shall be immediately effective and
24 enforceable upon its entry.

25 8. The Bankruptcy Court retains sole and exclusive jurisdiction to enforce the
26 provisions of this Stipulation.

[Signatures on following page]

1 Dated: February 7, 2024

FELDERSTEIN FITZGERALD
WILLOUGHBY PASCUZZI & RIOS LLP

2
3 By: /s/ Jason E. Rios
4 JASON E. RIOS
5 PAUL J. PASCUZZI
6 THOMAS R. PHINNEY
7 Attorneys for The Roman Catholic
8 Archbishop of San Francisco

9 Dated: February 7, 2024

LEWIS ROCA ROTHGERBER CHRISTIE LLP

10 By: /s/ Robert M. Charles, Jr.
11 ROBERT M. CHARLES, JR.
12 Attorney for Lessor
13 The Archdiocese of San Francisco
14 Parish and School Juridic Persons
15 Real Property Support Corporation